

# EMPLOYEE ENGAGEMENT AND WORK-RELATED OUTCOMES: THE CASE OF BOSNIA AND HERZEGOVINA

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## Abstract

*This study examines the specific work-related outcomes of employee engagement such as affective commitment, organizational citizenship behavior, and intention to quit in the context of Bosnia and Herzegovina. For this purpose, employee engagement was divided into job and organization engagement. We used the quantitative research instrument and the cross-sectional survey method for primary data collection. The final sample consisted of 682 usable responses. By using the hierarchical regression analysis, we found that both job and organization engagement*

*have a positive and significant relationship with affective commitment and organizational citizenship behavior, while in the case of intentions to quit, only organization engagement was negatively related. The results show that companies can achieve several benefits by focusing on employee engagement.*

**Key words:** job engagement; organization engagement; affective commitment; organizational citizenship behavior; intentions to quit; Bosnia and Herzegovina.

## 1. INTRODUCTION

In a highly dynamic environment, the main goal for companies is to achieve a competitive advantage in the market. However, achieving a competitive advantage is not an easy task, since certain organizations have reached economies of scale, have more favorable access to capital, and have protected their patents. While most companies can copy and imitate technology, manufacturing processes, products, and

the firm's strategy, it is very hard to copy and imitate human capital (Pfeffer, 1994, 1998). This has been strongly emphasized by Ichniowski et al. (1996), who state that a company's assets do not reside on its balance sheet, but rather in its people and management systems. Today's employees are expected to be proactive, to take initiative, to be good teammates, to engage with their professional development, and to show commitment to high-quality performance standards (Bakker & Schaufeli, 2008).

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Employees that are energetic, dedicated, and absorbed by their work are more beneficial to the companies.

Although there is a growing popularity of employee engagement (Mazzei, 2018), the recent data show that on average 15% of employees are characterized as engaged ones and that the less developed European countries are within this average (Gallup Report, 2017). This is also the case in Bosnia and Herzegovina (B&H) where, due to intense competition from foreign companies, the domestic ones are struggling to survive (Knezović et al., 2020; Petković et al., 2016). Besides that, the companies in B&H are facing the challenge of keeping their workforce, not just within the company, but also within the market, where the recent trend is highly characterized by “brain drain”. The data show that, in the 2013-2017 period, more than 150,000 people (4.5% of the total population) left the country, with a substantial share of young people (Haskić, 2018). The context of B&H is very specific in this manner. Employees tend to experience a huge discrepancy between written policies (i.e. organizational goals), what managers require from them, and what they do in reality. As there is no concrete data on employee engagement in B&H, the first aim of this research was to explore the extent of employee engagement within the companies in this market.

A vast amount of literature presented employee engagement through job or work engagement (Macey & Schneider, 2008; Christian et al., 2011). This model was reconceptualized by Saks (2006), who makes a difference between the job and organization engagement. In this sense, he distinguishes between job engagement, which refers to the work role, and organization engagement, which refers to the role of a member of the organization. In essence,

there is a debate about whether employees leave their job, manager, or the organization. However, Saks (2006) and subsequent studies (Malinen et al., 2013; Farndale et al., 2014; Knezović et al., 2018) only provided a theoretical explanation of the difference between the two constructs. Furthermore, Guest (2013) argued that there is a clear distinction between academic literature and the practice. In particular, academic research is more focused on work engagement, while the practitioners’ primary focus is organization engagement. It is evident that there is a need to further clarify this division theoretically and empirically, with a special focus on organization engagement. Besides, there is a need to distinguish between the engagement, or more particularly organization engagement and closely related terms of affective commitment and organizational citizenship behavior (OCB). Therefore, the second objective of this research is to empirically check, whether the two-dimensional model of employee engagement is valid and whether it differs from affective commitment and organizational citizenship behavior.

In order to convince managers to embrace the concept of employee engagement within their business, a thorough understanding of benefits is needed to inspire them. This is very important for the context of developing countries that are faced with a crisis of productivity, innovation, and overall performance. As there are “*increasing claims in management literature that engagement is needed for high-level organizational performance and productivity*” (Andrew & Sofian, 2012, p. 499), it is also evident that the influence of employee engagement or organizational performance is multidimensional, but that its strongest influence is on an individual level. The most important question for managers is how to keep better employees within the company.

That is why the commonly examined work-related outcomes at the individual level were the ones that are closely related to employee retention, such as commitment, organizational citizenship behavior, and intention to quit (Saks, 2006; Farndale et al., 2014; Ismail et al., 2019). Therefore, the third aim of this research is to empirically test, whether the relationships between employee engagement and selected work-related outcomes hold in the business context of B&H. Besides, by restructuring the general notion of employee engagement to two dimensions, we expect to get a better insight and provide more concrete recommendations.

## 2. THEORETICAL FRAMEWORK

### 2.1. The conceptualization of employee engagement

Although the roots of employee engagement date back to the studies of motivation in 1943 (Frank et al., 2004), the first concrete definition of employee engagement was provided by Kahn (1990). After his seminal work, many other definitions emerged resulting in great variation since the term has been measured and considered in different ways. Consequently, there is no universally accepted definition of this concept (Kular et al., 2008). Schaufeli (2013) speaks about a dilemma between narrow definitions, where practical use is reduced, and broad definitions, where, due to different perspectives, confusion can arise. However, Shuck and Wollard (2009) drew three important conclusions. First, they noted that being engaged is a private and individual decision, since it is something that concerns an individual employee and not the company. This notion is prominent in a lot of definitions (Kahn, 1990; Macey

& Schneider, 2008; Saks, 2006; Schaufeli, 2013). Second, there are different types of engagement like cognitive, emotional, and behavioral, whereby each of these is a distinct dimension, and each is connected and builds upon the next one (Shuck & Wollard, 2009). Lastly, employee engagement is not manifested and measured physically, but rather behaviorally (Kahn, 1990). This can be seen through an employee's role performance, discretionary effort, or the success of an employer.

Employee engagement has its roots in the psychology of each employee and it is manifested and seen through the behavior, which is directed towards achieving organizational objectives (Shuck & Wollard, 2009). In particular, employee engagement can be defined as an "*emergent and working condition*" that is exhibited through a "*positive cognitive, emotional, and behavioral state directed toward organizational outcomes*" (Shuck & Wollard, 2009, p. 138). According to Saks (2006), the social exchange theory (SET) provides a strong theoretical framework for understanding employee engagement. This theory states that obligations occur through several interactions among interdependent parties, where a specific action by one party triggers a reaction of another. If the actions are dependent on the rewarding reactions of others, then these actions tend to evolve into mutually rewarding relationships over time. Thus, when employees receive something from their organization (i.e. bonus payment), they feel obliged to repay it (Cropanzano & Mitchell, 2005; Yin, 2018). Saks argues that employees can repay their organization by increasing their engagement levels. He states that employees, who engage themselves are doing this to ensure the continuation of the positive reciprocal exchanges. More engaged employees are likely to have high-quality and more

trusting relationships with their employers, which in turn ensures that employees have better intentions and attitudes towards the organization. On the contrary, if the organization does not provide the resources, then there is a higher probability that employees will withdraw and become disengaged from their roles. Therefore, the amount of cognitive, physical, and emotional resources that employees are ready to engage during the work role performance depends on the economic or socioemotional resources that the organization has provided to them (Saks, 2006; Andrew & Sofian, 2012; Kim et al., 2019).

Employee engagement can be divided into two domains that are based on the conceptualization of the engagement construct as related to a specific role (Saks, 2006). Saks believes that engagement shows the amount of an employee's mental presence in a specific organizational role and that the role is not one-dimensional. This work provided merit to an ongoing discourse between researchers, who argue that engagement is particularly about the job role and those that claim that engagement can be exhibited through a diverse set of roles (Schaufeli et al., 2002; Schaufeli and Salanova, 2007; Macey and Schneider, 2008; Guest, 2013). In particular, this model can be observed through multiple foci of engagement, as an employee can be engaged toward different characteristics within the organization (Khodakarami & Dirani, 2020). Therefore, an employee could be engaged to the job, the leaders, the organization, or exhibit the engagement toward more than one of these. For example, an employee could be engaged with the work, but still wish to leave the organization, or engaged toward the organization, but not so much with the actual work. However, as argued by Fernadele et al. (2014), this conceptualization requires more empirical

evidence, especially since the number of studies built on engagement as two-dimensional constructs is relatively small and that those studies are also limited with the sample used. Following the recommendations made by Fernadele et al., we argue that it is of immense importance to understand employee engagement through the holistic approach and identify its main components.

Accordingly, Saks (2006) approached employee engagement matters by looking into the two distinct components, but also by providing a theoretical distinction between engagement and closely related constructs, such as commitment and organizational citizenship behavior. While on the one hand, engagement indeed poses some elements of both commitment and OCB (Robinson et al., 2004), it differs in several aspects. For example, commitment is more about a personal attitude toward the organization, especially when we speak about affective commitment, while engagement is definitely not an attitude, but rather an extent, to which employees are attentive and absorbed in performing their roles within the organization. As it concerns OCB, it refers to voluntary behaviors toward the organization or colleagues, which are very informal, while engagement is derived more from a formal role assigned to employees.

### 2.2. Outcomes of employee engagement

Schaufeli (2013) argues that there are three approaches used to determine the outcomes of engagement. First, the engagement of employees is associated with individual outcomes that are important for the organization, like job performance and absenteeism. Accordingly, the average levels of work team engagement are connected to team performance and team absenteeism. Second, there are business-level outcomes,

like retention, profitability, or productivity (Harter et al., 2010). The last set of outcomes is related to the organizational ones and they are usually measured by the overall business performance, with special emphasis on financial and market performance. The first two present the dominant research interest, since the relationship is more direct, compared to the one with organizational outcomes. As such, we decided to investigate the relationship between employee engagement and individual level-outcomes, since employees are first to exhibit such behaviors. This is in line with the argument made by Saks (2006), who states that engagement is an individual-level concept and if it is related to business success, it has to first exercise an influence on the individual-level outcomes. In particular, we can expect that employee engagement is related to the attitudes, intentions, and behaviors of individuals.

Regarding the specific individual work-related outcomes, Schaufeli (2013) argues that organizational attitudes and behaviors, like *“in-role and extra-role performance, organizational commitment, intention to leave, personal initiative, innovativeness, and proactivity”* (p. 30), are not elements of engagement, but rather the outcomes. Besides, greater overall satisfaction levels of employees are also outcomes of employee engagement (Jeung, 2011). Different studies found that high engagement levels lead to greater task performance (Motyka, 2018), organizational commitment (Boyd et al., 2011; Dajani, 2015), innovative behavior and innovation (Hakanen et al., 2008; Arshi & Rao, 2019), less absenteeism (Schaufeli et al., 2009; Shantz & Alfes, 2015) and, in overall, better role performance (Bakker & Bal, 2010). Engaged employees are also more efficient and productive workers, compared to disengaged ones (Markos & Sridevi, 2010; Osborne &

Hammoud, 2017). Consequently, Da Costa and Loureiro (2019) argue that engaged employees are more likely to contribute to a better consumer experience through higher quality standards.

The actual relationship between employee engagement and work-related outcomes, especially at the individual level, lies on social exchange theory, where *“as a result, individuals who are more engaged are likely to be in more trusting and high-quality relationships with their employer and will, therefore, be more likely to report more positive attitudes and intentions toward the organization”* (Saks, 2006, p. 607). In a country, such as B&H, with a problem of keeping people, not just within organizations, but the country as well, employee retention has become a pressing issue. The employee turnover is a two-dimensional phenomenon, since both employees and the organization face costs. One of the key indicators of turnover, on which academic work has been focused, is the intention to quit (Ajzen & Fishbein, 1980; Igbaria & Greenhaus, 1992; Sutherland & Jordaan, 2004; Gupta & Shaheen, 2017). That is why a vast amount of research has been devoted to finding the determinants that lead to employee's increased intentions to quit (Firth et al., 2003). This produced inconsistent results, in terms of constructs and measurements used, but it confirmed that the concept of retention is not straightforward and very often other parameters can indicate it.

One of the outcomes that are very important for businesses, when it comes to keeping employees is affective commitment. As one of the three main concepts of organizational commitment, proposed by Allen and Meyer (1990), affective commitment is the most interesting for businesses, since it refers to the emotional bond that employees feel toward

their organization. The sense of belongingness that is exhibited through affective commitment results in higher involvement and stay with the organization. Another important indicator is the organizational citizenship behavior. Perceived as a voluntary behavior of individuals, OCB refers to all positive behavior that is beyond a formal role, which results in higher organizational effectiveness. As a concept that has been tested over the years, the dimensions vary over the literature, from five proposed by Organ (1988), to two proposed by McNeely and Meglino (1994). The two-dimensional construct is more present in the literature and it contains OCB toward the individuals (OCBI) and OCB toward the organization (OCBO). Together with affective commitment, OCB is considered as one of the indicators closely related to employee retention (Shanker, 2018; Islam et al., 2018).

In essence, Sibiya et al. (2014) explain engagement as a triggering mechanism that emphasizes “*the simultaneous employment and expression of an individual’s in task behaviors that promote connections to work and others*” (p. 133). It is expected that those, who score low on engagement lack identification with their work and energy required to perform it (Schaufeli & Bakker, 2003). As such, employee engagement is a concept that can be related to employees’ intentions to quit. By defusing employee engagement, we can see that it represents employees, possessing an energetic approach to their work, which leaves little space for negative thought. In particular, they are preoccupied with their work, not because they must do it, but because they are experiencing the state, in which people invest themselves at the maximum level, due to strong bonds with their work and organization (Kahn, 1990; Saks, 2006). As a result of that, employees tend to think less about leaving their job and this has been indicated by prior research

(Alfes et al., 2013; Gupta & Shaheen, 2017). This study aims to test whether affective commitment, OCBI, and OCBO are the outcomes of employee engagement. We argue that employee engagement is an important driver of work-related outcomes in the context of B&H by replicating the model proposed by Saks (2006). Thus, the following hypotheses have been proposed:

*H1: Job engagement is related favorably to individual work-related outcomes including higher affective commitment, more frequent organizational citizenship behavior, and lower intention to quit in the B&H context.*

*H2: Organization engagement is related favorably to individual work-related outcomes including higher affective commitment, more frequent organizational citizenship behavior, and lower intention to quit in the B&H context.*

## 3. METHODOLOGY

### 3.1. Participants and research procedure

For the purpose of this study, the cross-sectional survey design was used, in alignment with the snowball sampling method. This technique allows researchers to use the existing participants for reaching further participants among their acquaintances and, thus, reach a larger sample. In this way, it was possible to ensure that the chain of referrals stays within the boundaries that are important for this research, since the researcher has some control over the entire process. Besides, this allowed us to obtain a larger and more divergent sample, which reduces the risk of sample bias.

The questionnaire link was delivered online, by using different methods (mostly

emails), which mitigated the possible problem of missing data. A cover letter was developed to explain the nature of the research, assure confidentiality, and the usage of data only for academic purposes. After a month, we have sent a reminder. This resulted in 682 responses. It is important to mention that to participate in the study, employees had to have at least one year of tenure within a company.

The majority of respondents were younger than 35 years (58%), and slightly more than a half were females (53%). Regarding education, 73% of respondents were highly educated. As it concerns the working experience, 58% of them had more than 5 years of experience and 80% of them worked in the current company for at least 2 years. Regarding the size of the company, 55% of respondents were from small companies (less than 50 employees), 31% from medium-sized companies (50-249 employees), and 14% from big companies (at least 250 employees). Finally, most of the respondents were from private companies (70%) and the majority of them were in the service sector (53%).

### 3.2. Questionnaire design and measurement

Since the constructs were originally in English, we used back-to-back translation for validity purposes. The original English version was translated to the Bosnian language and back to English. This allowed us to verify the consistency in translation. The questionnaire was designed to allow the data collection on demographic, independent, and dependent variables.

In particular, to measure job engagement (JE) and organization engagement (OE) we used the constructs developed by Saks (2006). The items assessed the

respondent's mental presence at their job and organization. JE contained five items while OE had six items. The responses were measured on a five-point Likert scale, ranging from (1) "strongly disagree" to (5) "strongly agree". Furthermore, Rhoades et al.'s (2001) six-item scale was used for affective commitment (AC) where each item was presented with a five-point Likert scale ranging from (1) "strongly disagree" to (5) "strongly agree". Regarding organization citizenship behavior, OCBI and OCBO were based on a four-item scale developed by Lee and Allen (2002) and were measured on a five-point Likert scale ranging from (1) "never" to (5) "always". For the intention to quit (ITQ), we used a three-item scale that was developed by Colarelli (1984). All the items were scored on a five-point Likert scale, ranging from (1) "strongly disagree" to (5) "strongly agree". All items are presented in Appendix I.

As we expected a substantial effect of size and tenure with the organization, when it comes to affective commitment, OCB and intentions to quit, we controlled for two possible effects. In particular, we used tenure (logten) which was measured based on years spent within a company and the size of the company (logsize), measured by the number of employees. The log function was used as this data is expected to be non-linear.

## 4. DATA ANALYSIS AND RESULTS

The data analysis was divided into two parts. The first part deals with pre-testing the data by using descriptive statistics, reliability and validity tests, and correlation among variables. At first, we empirically tested for employee engagement as a one and two-factor model. The results are presented in Table 1.

**Table 1.** Goodness-of-fit information for the alternative factor models

| Employee engagement (EE)  | $\chi^2$ | df  | $\chi^2/df$ | CFI  | TLI  | RMSEA | CV  | DV  |
|---------------------------|----------|-----|-------------|------|------|-------|-----|-----|
| Full model: EE (1-factor) | 2618.01  | 340 | 7.70        | 0.82 | 0.79 | 0.099 | no  | no  |
| Full model: EE (2-factor) | 1424.68  | 335 | 4.25        | 0.91 | 0.90 | 0.069 | yes | yes |

**Note.** CV – Convergent validity, DV – Discriminant Validity.

The convergent validity was not achieved for a single-factor model. Also, the fit values were considerably below the common thresholds. On the contrary, with a two-factor model, both convergent and discriminant validities were achieved and fit values were fairly acceptable. For this, we used common thresholds for confirmatory fit indexes (CFI), the Tucker Lewis index of at least .9 and Root Mean Squared Error of

Approximation (RMSEA) of less than .08 (Browne & Cudeck, 1993; Byrne, 1994; MacCallum et al, 1996). Furthermore, we used Cronbach's coefficient alpha to measure the reliability of the instrument with a common threshold of 0.6 (Hair et al., 2006). To test for the convergent and discriminant validity of constructs, a Confirmatory Factor Analysis (CFA) was performed. The results are presented in Table 2.

**Table 2.** Descriptive statistics, reliability, validity, and correlations

|   |         | M    | SD   | $\alpha$ | CR   | AVE  | 1       | 2       | 3      | 4       | 5       | 6       | 7     | 8 |
|---|---------|------|------|----------|------|------|---------|---------|--------|---------|---------|---------|-------|---|
| 1 | JE      | 3.91 | 0.67 | 0.78     | 0.83 | 0.53 | (0.73)  |         |        |         |         |         |       |   |
| 2 | OE      | 3.55 | 0.74 | 0.83     | 0.85 | 0.52 | 0.42**  | (0.72)  |        |         |         |         |       |   |
| 3 | OCBI    | 3.73 | 0.79 | 0.90     | 0.90 | 0.70 | 0.42**  | 0.28**  | (0.84) |         |         |         |       |   |
| 4 | OCBO    | 3.68 | 0.86 | 0.89     | 0.89 | 0.67 | 0.45**  | 0.46**  | 0.71** | (0.82)  |         |         |       |   |
| 5 | AC      | 3.60 | 0.90 | 0.91     | 0.92 | 0.66 | 0.39**  | 0.70**  | 0.38** | 0.57**  | (0.81)  |         |       |   |
| 6 | ITQ     | 2.48 | 1.21 | 0.64     | 0.74 | 0.55 | -0.22** | -0.45** | -0.13* | -0.30** | -0.61** | (0.74)  |       |   |
| 7 | logten  | -    | -    | -        | -    | -    | 0.04    | -0.05   | 0.07   | 0.14**  | 0.08*   | -0.13** | -     |   |
| 8 | logsize | -    | -    | -        | -    | -    | 0.08*   | -0.06   | 0.06   | -0.05   | -0.1**  | 0.09    | 0.07* | - |

**Note.** N=682. \*p < .05; \*\*p < .01. JE - Job engagement; OE - Organization engagement; OCBI - Organizational citizenship behavior toward the individual; OCBO - Organizational citizenship behavior toward the organization; AC - Affective commitment; ITQ - Intention to quit. The square root of AVE is presented in the brackets.

From the results of the descriptive statistics, it can be seen that the job engagement has a slightly higher mean (3.91) than organization engagement (3.55). Also, job engagement has a lower standard deviation, compared to organization engagement, which means that the variability of the responses is lower. The coefficient of Pearson correlation is used as a measure of an effect size, which relates to the strength of a

relationship among variables. A coefficient of  $\pm 0.1$  indicates a small effect,  $\pm 0.3$  a medium effect, and  $\pm 0.5$  a large effect (Cohen, 1988; Field, 2013). When looking at the correlations among job engagement and organization engagement, there is a significant and positive correlation of a moderate degree between them. This shows a medium correlation strength, which supports the claim made by Saks (2006) that they



are significantly different from each other. Observing the correlations, related to the outcomes of employee engagement, it can be noted that job engagement positively correlates on a moderate degree with affective commitment, OCBI, and OCBO, and negatively with ITQ, while organization engagement positively correlates on moderate to a large degree with affective commitment, OCBI, and OCBO and negatively on a moderate degree with ITQ.

The reliability test showed that all the constructs score higher than the common threshold, indicating that the instrument used was reliable. As it concerns CFA, all items loaded significantly on their constructs. The convergent validity was achieved, since the average variance extracted (AVE) values were all well above 0.5 (Bagozzi & Yi, 1988). The square root

of AVE was used to test for discriminant validity. The results are presented in brackets in Table 2 and all values were higher than the paired correlation between constructs. This shows that the constructs measured were different and that discriminant validity was achieved (Fornell & Larker, 1981).

#### 4.1. Hypotheses testing

The second part was related to the hypotheses testing, which was done by performing the hierarchical multiple regression analysis. First, we controlled for the effects of tenure and size of the company (M1) and then we introduced both dimensions of engagement to test for the proposed relationships with affective commitment, OCB, and intention to quit (M2). The results are presented in Table 3.

**Table 3.** Hierarchical regression

|                | AC      |          | OCBI  |         | OCBO   |          | ITQ    |         |
|----------------|---------|----------|-------|---------|--------|----------|--------|---------|
|                | M1      | M2       | M1    | M2      | M1     | M2       | M1     | M2      |
| logten         | 0.11**  | .12**    | 0.06  | 0.06    | .13**  | .13**    | -.14** | -.14**  |
| logsize        | -0.11** | -0.08**  | 0.06  | 0.05    | -0.05  | -0.05    | .09*   | .07*    |
| JE             |         | .07*     |       | .29**   |        | .24**    |        | -0.02   |
| OE             |         | .61**    |       | .18**   |        | .39**    |        | -.39**  |
|                |         |          |       |         |        |          |        |         |
| $\Delta R^2$   | 0.021   | 0.408    | 0.008 | 0.157   | 0.019  | 0.285    | 0.025  | 0.160   |
| $R^2$          | 0.021   | 0.43     | 0.008 | 0.164   | 0.019  | 0.304    | 0.025  | 0.186   |
| Adjusted $R^2$ | 0.018   | 0.426    | 0.005 | 0.16    | 0.016  | 0.3      | 0.022  | 0.181   |
| $\Delta F$     | 7.40**  | 242.31** | 2.67  | 63.46** | 6.61** | 138.58** | 8.78** | 66.65** |

**Note.** N=682. \* $p < .05$ ; \*\* $p < .01$ . JE - Job engagement; OE - Organization engagement; OCBI - Organizational citizenship behavior toward the individual; OCBO - Organizational citizenship behavior toward the organization; AC - Affective commitment; ITQ - Intention to quit.

Model 1 shows that the research produced mixed results, when it comes to the control variables. They explained a relatively low amount of variance in dependent variables, but the variance was statistically significant in the case of affective

commitment, OCBO, and intention to quit. By observing control variables individually, we can state that the tenure was positively related to affective commitment and OCBO and negatively to intention to quit, while the size of the company was negatively

related to affective commitment and positively to intention to quit.

Model 2 presents the results of the hypotheses. With the presence of control variables, both job and organization engagement variables were entered simultaneously. In the case of affective commitment, job and organization engagement explained additional 41% of the variance. Furthermore, job and organization engagement explained 16% of the variance in OCBI and 29% in OCBO respectively. Finally, the additional 16% of the variance was explained in the case of intention to quit. Speaking individually, the results indicate that job engagement is positively related to affective commitment, organizational citizenship behavior toward individuals, and organizational citizenship behavior toward the organization, while the relationship with intention to quit is non-significant. Regarding the organization engagement, it is positively related to affective commitment, organizational citizenship behavior toward individuals, and organizational citizenship behavior toward the organization, while it is negatively related to intention to quit. Therefore, the results demonstrate that stronger relationships are presented with organization engagement and specific work-related outcomes. We can conclude that there is substantial evidence to support H2 while H1 has been supported partially.

## 5. DISCUSSION

Although employee engagement has gained a lot of interest recently, there is still a need for academic research in this area (Jeung, 2011; Motyka, 2018; Ababneh et al., 2019). Moreover, when it comes to the study of employee engagement and work-related outcomes in less developed

countries, the situation is alarming. Further, the concept of employee engagement offers a contemporary discourse regarding the components and measurement, which is highly visible in the comparison between academic literature and actual practice. Finally, due to a specific context and period of time, there was a need to examine whether employee engagement is related to particular work-related outcomes within the businesses in B&H.

Regarding the extent to which employee engagement is presented within the business in B&H, both dimensions of employee engagement were relatively present. The results showed a higher presence of job engagement. Furthermore, the study showed that a two-dimensional construct of employee engagement proposed by Saks (2006) was valid and distinctive from closely-related constructs such as affective commitment and organizational citizenship behavior. This adds to the arguments that employees are performing multiple roles within the organization and as such, they exhibit engagement at different levels (Kahn, 1990; Saks, 2006).

As it concerns hypotheses, the study revealed that job engagement tends to have a favorable relationship with affective commitment and both dimensions of OCB but not employees' intention to quit. However, organization engagement tends to have a favorable relationship with all proposed work-related outcomes. In particular, the results are in line with previous studies on the relationship between employee engagement and work-related outcomes (Saks, 2006; Ismail et al., 2019). Besides, as we test for the effects of job and organization engagement, this study adds to the argument that organization engagement is a stronger predictor of work-related outcomes, such as affective commitment and organizational

citizenship behavior (Farndale et al., 2014) and intention to quit (Andrew & Sofian, 2012). Although employees exhibit higher job engagement, this means that as much as employees may love their job, the organizational context matters. This further strengthens our argument that organization engagement can be considered an important determinant of work-related outcomes, which is in line with most practitioners' interest. Therefore, the organizational context is a bit important aspect, when it comes to employee retention.

Regarding the context of B&H, we can state that the results are in line with on-going research (Kim et al., 2019). Therefore, this study provides the population validity of the employee engagement concept in less developed countries and emphasizes the importance of employees as an important asset of organizations. In B&H, engaged employees are more willing to invest in their job and organization and they tend to feel the organization as an important part of their life. In that case, the bond between employees and organizations tends to be stronger, which reduces the likelihood of employees' turnover. This suggests that in fact what keeps employees in the company is not the job, but the organization. Employees may be engaged with their job, but it does not mean they are willing to stay, since they can find a similar job in another, better-fit organization.

### 5.1. Practical implications

From the results, we derive several practical implications for businesses in B&H. First, this study demonstrates what kind of work-related outcomes employees tend to exhibit and, therefore, businesses are advised to foster employee engagement. This means that businesses have to think about particular resources that employees require

for exhibiting the desired work-related outcomes. As employee engagement is derived from the individual formal role performance, the resources should be contingent on individual roles within the business and, even, personal characteristics, rather than offering a universal set of resources.

Second, the study shows that there are two types of engagement, exhibited by employees in B&H. This distinction can help businesses with several decision-making processes. At first, it can help in more informed decision making within the company, especially when it comes to resource allocation regarding the engagement. Since engagement is related to the work-related outcomes, desired by the businesses, the right resource allocation could be beneficial for spurring the engagement of employees. Second, it can help in the recruitment process. This is very important for the business context, such as the one in B&H, where there is an obvious shortage of talent. Businesses that emphasize engagement can be more attractive in the labor market and, hence, obtain a competitive advantage, when it comes to hiring employees and keeping a high level of productivity. Also, a certain profile of labor market participants may have a better fit with organizational offerings, when it comes to employee engagement and businesses should favor such candidates more.

Finally, the study emphasizes the importance of organization engagement when it comes to retaining the employees. As employees are a crucial asset of a contemporary organization, they have to develop a framework that leads to higher organization engagement. Therefore, the businesses that aim to keep their top talents should focus on the organizational aspects that contribute to organization engagement. For example, Malinen et al. (2013) highlighted

trust and justices as pillars of organization engagement.

Therefore, we can conclude that employee engagement has to be observed from a wider perspective. It is of essential importance that businesses understand the unique environment that they offer to their employees and adjust it to the individual needs. In particular, employee engagement should be enrooted within the organizational strategy that should be followed by a clear action plan and communication.

## 6. CONCLUSION

Although the research on employee engagement has been present for some time, there are still obvious gaps and inconsistencies. Therefore, this study contributed to the understanding of the employee engagement concept through two main dimensions: job and organization engagement. By this, we validated the concept of engagement, proposed by Saks (2006), in the business setting of B&H. While the relationship between employee engagement and specific work-related outcomes has been previously tested, the study contributes to the ongoing trend within an international context, especially within the countries in transition. In the end, we can state the employee engagement matters in the businesses in B&H, since most of them are struggling with keeping their best employees, which highly jeopardizes their chances to survive.

### 6.1. Limitations and future studies

However, this study has several limitations. First, the sampling method used is a type of non-probability sampling. Due to this, there is a need to be cautious, when generalizing the results from this sample to the population. Another limitation

is that a cross-sectional survey design was employed, which was also a limitation in Saks' (2006) study. Because of the cross-sectional study, the conclusions about causality are limited. In order to overcome this limitation, future research should consider a longitudinal study. Despite the higher cost and the time requirements of such a study, it should still be conducted to make more accurate conclusions about the causal relationships of employee engagement. Finally, the study does not focus on a single industry that might provide more precise results and implications. In future studies, researchers could focus on a specific industry.

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## ANGAŽMAN ZAPOSLENIKA I RADNI ISHODI: SLUČAJ BOSNE I HERCEGOVINE

### Sažetak

*U ovoj se studiji istražuju specifični radni ishodi angažmana zaposlenika, kao što su afektivna predanost, ponašanje povezano s organizacijskim građanstvom te namjera za napuštanjem poduzeća, i to u bosansko-hercegovačkom kontekstu. U tu je svrhu angažman zaposlenika podijeljen u segmente angažmana, povezane s poslom i organizacijom. Koristili smo kvantitativni istraživački instrument i kros-sekcijski nacrt anketnog istraživanja za prikupljanje primarnih podataka. Završni se uzorak sastoji od 682 upotrebljiva odgovora. Uporabom hijerarhijske regresijske analize, utvrđena je pozitivna i signifikantna veza s afektivnom predanošću te ponašanjem, povezanim s organizacijskim građanstvom, dok je, u slučaju namjere davanja otkaza, postojala negativna povezanost, ali samo s organizacijskim angažmanom. Rezultati istraživanja pokazuju da poduzeća mogu postići nekoliko različitih koristi pomoću fokusiranja na angažman zaposlenika.*

**Ključne riječi:** radni angažman, organizacijski angažman, afektivna predanost, ponašanje povezano s organizacijskim građanstvom, namjera davanja otkaza, Bosna i Hercegovina

## APPENDIX I

### *Job engagement*

- I really “throw” myself into my job.
- Sometimes I am so into my job that I lose track of time.
- This job is all consuming; I am totally into it.
- My mind often wanders and I think of other things when doing my job (R).
- I am highly engaged in this job.

### *Organization engagement*

- Being a member of this organization is very captivating.
- One of the most exciting things for me is getting involved with things happening in this organization.
- I am really not into the “goings-on” in this organization (R).
- Being a member of this organization makes me come “alive.”
- Being a member of this organization is exhilarating for me. I am highly engaged in this organization.

### *Organizational citizenship behavior toward the individual*

- Willingly give your time to help others who have work-related problems.
- Adjust your work schedule to accommodate other employees’ requests for time off.
- Give up time to help others who have work or non-work problems.
- Assist others with their duties.

### *Organizational citizenship behavior toward the organization*

- Attend functions that are not required but that help the organizational image.
- Offer ideas to improve the functioning of the organization.
- Take action to protect the organization from potential problems.
- Defend the organization when other employees criticize it.

### *Job satisfaction*

- All in all, I am satisfied with my job.
- In general, I do not like my job (R).
- In general, I like working here.

### *Intent to quit*

- I frequently think of quitting my job.
- I am planning to search for a new job during the next 12 months.
- If I have my own way, I will be working for this organization one year from now (R).